

# **COUNTY OF SAN DIEGO CONSORTIUM CONSOLIDATED PLAN**

**ANNUAL FUNDING PLAN  
FISCAL YEAR 2006-2007**

**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
HOME INVESTMENT PARTNERSHIPS PROGRAM  
EMERGENCY SHELTER GRANT PROGRAM  
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM**



**COUNTY OF SAN DIEGO**

**DEPARTMENT OF HOUSING  
AND COMMUNITY DEVELOPMENT**

**May 2006**

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HCD administers the four entitlement programs mentioned above. The geographic jurisdictions for these programs include the Urban County for the CDBG and ESG programs, the County HOME Consortium, and the entire County of San Diego for the HOPWA Program. The Urban County consists of the unincorporated County area and the cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway, and Solana Beach. The HOME Consortium includes the Urban County, as well as the cities of Carlsbad, Encinitas, La Mesa, San Marcos, Santee and Vista. The HOME Consortium cities are also separate CDBG entitlement cities and each has its own revitalization areas.

The recommended CDBG, HOME, HOME ADDI, ESG, and HOPWA allocations follow the Board's previously approved FY 2006-2007 Strategy that describes eligible activities and priorities. CDBG funds can be used to fund community revitalization activities as well as development of affordable housing, whereas HOME funds are used exclusively for affordable housing activities. ESG funds are used for homeless assistance programs and homeless prevention activities throughout the Urban County, and HOPWA funds are used for housing and services for persons living with HIV/AIDS and their families in all of San Diego County.

# **1. Resources for Housing And Community Development Activities**

## **1.1 Community Planning and Development (CPD) Funds**

The following are the 2006-2007 federal entitlement grant funds in the County of San Diego Consortium Annual Funding Plan:

- CDBG - \$4,847,948 (plus approximately \$850,000 in program income)
- HOME - \$3,997,828 (plus approximately \$600,000 in program income)
- HOME American Dream Downpayment Initiative (ADDI) - \$72,878
- ESG - \$208,037
- HOPWA - \$2,549,000.

The following are the local matches required by HUD:

## 1.2 Leveraging CPD Funds

In addition to CPD funds, the following are other resources available to the County of San Diego in its pursuit for affordable housing:

### *Federal Programs*

**Rental Assistance Program (Section 8):** The Section 8 Rental Assistance Program provides rent subsidy payments for very low-income households in privately owned rental housing units. The program offers very low-income households the opportunity to obtain affordable, privately owned rental housing and to increase their housing choices. Section 8 tenants typically pay 30 to 40 percent of their incomes for rent and utilities. The Housing Authority of the County of San Diego (HACSD) administers the program and pays the difference between the tenant's contribution and the actual rent and utility costs, up to the payment standard established by HACSD based on HUD-established Fair Market Rents. It is anticipated that approximately \$89 million in Section 8 funds will be used to assist 10,454 households during FY 2006-2007. Of these 10,45

**The Federal Housing Authority-FHA:** FHA insures mortgages given through conventional lenders for first-time homebuyers. These loans are good for new or resale homes. The debt to income ratio requirements are more favorable than could be obtained from (non-FHA) conventional lenders.

**Section 811 Handicapped:** Federal program that provides loans, grants and rental subsidies to support housing for persons with disabilities.

**Capital Fund (previously known as Comprehensive Improvement Assistance Program-CIAP):** This is a grant program for Housing Authorities that own or operate less than 250 housing units. The grant is based on a physical needs assessment of the agency's public housing. Funds are available for use on needed repairs and replacements of physical systems, improvements to meet HUD modernization, energy conservation, or long term viability of the public housing units. HCD expects to receive approximately \$170,000 in CIAP funds in FY 2006-2007 for the modernization of four public housing developments (121 units) located in the City of Chula Vista.

**Housing Enabled by Local Partnerships Program (HELP):** The HELP program offers a 3% interest rate loan to local government agencies for locally determined affordable housing activities and priorities. Program funds must be used to directly produce affordable housing units, however, there is virtually unlimited flexibility for the local agency to determine the specific housing activity and use of the funds for acquisition, development, rehabilitation, or preservation of affordable rental or ownership housing.

**State of California Multifamily Housing Program (MHP):** This program provides permanent financing for affordable multifamily housing development, in the form of low-interest loans to developers for new construction, rehabilitation, acquisition and rehabilitation, or conversion of nonresidential structures. The Program Notice of Funding Availability schedule and guidelines can be accessed through the State Department of Housing and Community Development website.

**State of California Emergency Housing Assistance Program (EHAP):** This program funds emergency shelters, transitional housing, and services for homeless individuals and families. EHAP funds operating costs and support services through grants. Capital development funding is structured as forgivable loans. Twenty percent of the total allocation is available to non-urban counties. Further information can be obtained from the State Department of Housing and Community Development website.



on that property in which the housing is to be located (not applicable to farm labor camps); and (3) Salary of employees must be at least minimum wage.

### ***Private Resources/Financing Programs***

**Conventional Lending Industry:** Banks have participated in providing conventional loans to mobile home owners in the conversion to resident ownership of mobile home parks, as well as the development of affordable rental units. The banking industry is also active in providing first-time homebuyer assistance in conjunction with State and Federal programs.

**Community Foundation of San Diego:** This local community development and philanthropic organization provides loans and grants in conjunction with federal, state and conventional lending bank and private funds in the development of affordable housing.

**Local Initiatives Support Corporation (LISC):** This nationally recognized nonprofit affordable housing development organization provides seed money for nonprofit organization capacity building and for predevelopment costs for acquisition and construction of

## 2. Activities to Address Five-Year Priorities and Specific Objectives

### 2.1 Housing

The County's five-year Consolidated Plan identifies housing needs, the estimated number of housing units, and funds expected to be available to address those needs. This Annual Funding Plan provides an estimate of how the County Consortium will address identified housing needs in the next fiscal year to reflect a reasonable level of activity by the Consortium to serve the needs of the low-income population. The estimated number of units expected to be completed was calculated using a projection of funding and production levels. The estimated dollar amounts are costs for housing developments assisted with HCD administered funds.

#### ***Rental Housing Programs and Activities for Low-Income Small Family, Large Family, and Elderly Households***

- Lakeside Gardens, an 83-unit rehabilitation project for low-income senior households in the community of Lakeside is expected to be completed in FY 2006-2007. Total project cost is \$532,000 funded through the CDBG program. All 83 units are assisted.

**HOME Tenant-Based Rental Assistance (TBRA):** County HCD staffs the Housing Authority of the County of San Diego, which administers the following HOME TBRA programs: City of Encinitas County-administered TBRA Program, Mentally Ill Youth TBRA Program, Emancipated Foster Youth TBRA Program, Urban County TBRA Program, Substance Abuse Recovery Management System (SARMS) TBRA, and the Urban County Tuberculosis TBRA Program. In addition, South Bay Community Services administers the Casa Seguras Domestic Violence TBRA Program.

Obj #	Specific Objectives	Performance Measure	Goal	
			Five-Year	One-Year
<b>Owner Housing Objectives</b>				
H-4	Assist owner-households with necessary improvements using CDBG and HOME funds.	Low and moderate income owner-households	212	54
<b>Funding Source:</b> CDBG/HOME - Prior year funds will be utilized.				

**HOME American Dream Downpayment Initiative (ADDI):** The ADDI is a downpayment assistance component of the HOME Investment Partnerships Program. ADDI funds can be used for downpayment assistance toward purchase of single family housing by low-income, first-time homebuyers within the HOME Consortium.

The ADDI funds will be used to leverage funds in existing Consortium HOME first-time homebuyer programs. Preference is given to people living or working within the geographic area of the HOME Consortium. ADDI marketing and outreach will target low-income residents and tenants of mobile homes and other manufactured housing, and families assisted by public housing agencies. ADDI assistance will be limited to no more than \$10,000 per household and may be used only for downpayment and closing costs assistance and will follow program design guidelines of existing homebuyer programs. Consortium ADDI funds will be allocated to the Urban County and Consortium cities based on the HOME entitlement program formula and fair share calculation for each jurisdiction.

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## 2.2 Homeless

### *Subpopulations of Homeless Persons*

**Rural Homeless Workers:** There are thousands of documented agriculture and urban day labors in San Diego County, and some reside in the Urban County rural canyons. The Farmworker Housing Fee Waiver Program uses CDBG funds to pay County permit fees for the development of farmworker housing. To qualify for the fee waiver, owners enter into an agreement, which specifies rents and bi-annual inspections of the housing units. Approximately 2 units of farmworker housing are expected to be created through this program.

**Urban Homeless:** The Regional Task Force on the Homeless estimates that there are approximately 10,000 homeless persons in the region, about 75 percent urban homeless, and approximately 3,422 beds are specifically reserved





awarded \$2.1 million for support of 50 Mainstream Program vouchers for a period of five years. It is estimated that 50 households will be assisted in FY 2006-2007.

**Persons with Mental Illness:** Based on the 2000 Census, 14 percent of the County disabled population suffers from serious and persistent mental illness. This population has a substantial need for stable, decent housing. The Mainstream Program, mentioned above, is also available to persons with mental illness.

## **2.4 Community Development**

The following provides a summary of the types of community development activities recommended for funding in the 2006-2007 CDBG Annual Funding Plan, in order to address priority community development needs described in the 2005-2010 Consolidated Plan.

## ***Infrastructure Improvements***

**Drainage Improvements:** No drainage improvements are funded in FY 2006-2007. However, funding is recommended for predevelopment activities and design of the Estrella County Park in Casa De Oro (\$50,000), which will address drainage issues in and around the park site.

**Water Improvements:** One water system improvement project, a new water well for the Guatay community is funded for \$101,000.

**Street Improvements:** Three street improvement projects are funded for a total of \$380,233. These include reimbursement of advanced funds to the City of Lemon Grove street rehabilitation project (\$110,233), construction of Lakeside Julian Avenue street improvements (\$255,000), and design and installation of two streetlights on

Obj #	Specific Objectives	Performance Measure	Goal	
			Five-Year	One-Year
<b>Community Development Objectives – CDBG Participating Cities</b>				
CD-10	Pursue street/alley improvements by:			
	City of Coronado	Square feet	250,000	0
	City of Lemon Grove	Streets	20-30	

agency to provide landlords with security deposit guarantees, and it is expected that 10 families will benefit from this program in 2006-2007. A housing services program in the City of Poway is funded for \$40,000 and will provide housing assistance and referrals to low-income families. In addition, a tenant/landlord dispute resolution and fair housing service operated within the City of Lemon Grove is funded for \$9,442.

Obj #	Specific Objectives	Per,formance Measure	Goal	
			Five-Year	One-Year
<b>Public Services Objectives</b>				





<b>2006-2007 Community Development Block Grant Proposed Neighborhood Revitalization Areas; 2000 Census Tracts</b>			
CITIES		UNINCORPORATED AREA	
Coronado	106.03; 107.00; 108.00; 109.00; 110.00; 111.00; 112.00	Casa de Oro	135.03
Del Mar	172.00	Fallbrook	189.03; 189.04; 189.05; 189.06
Imperial Beach	102.00; 103.00; 104.01; 		



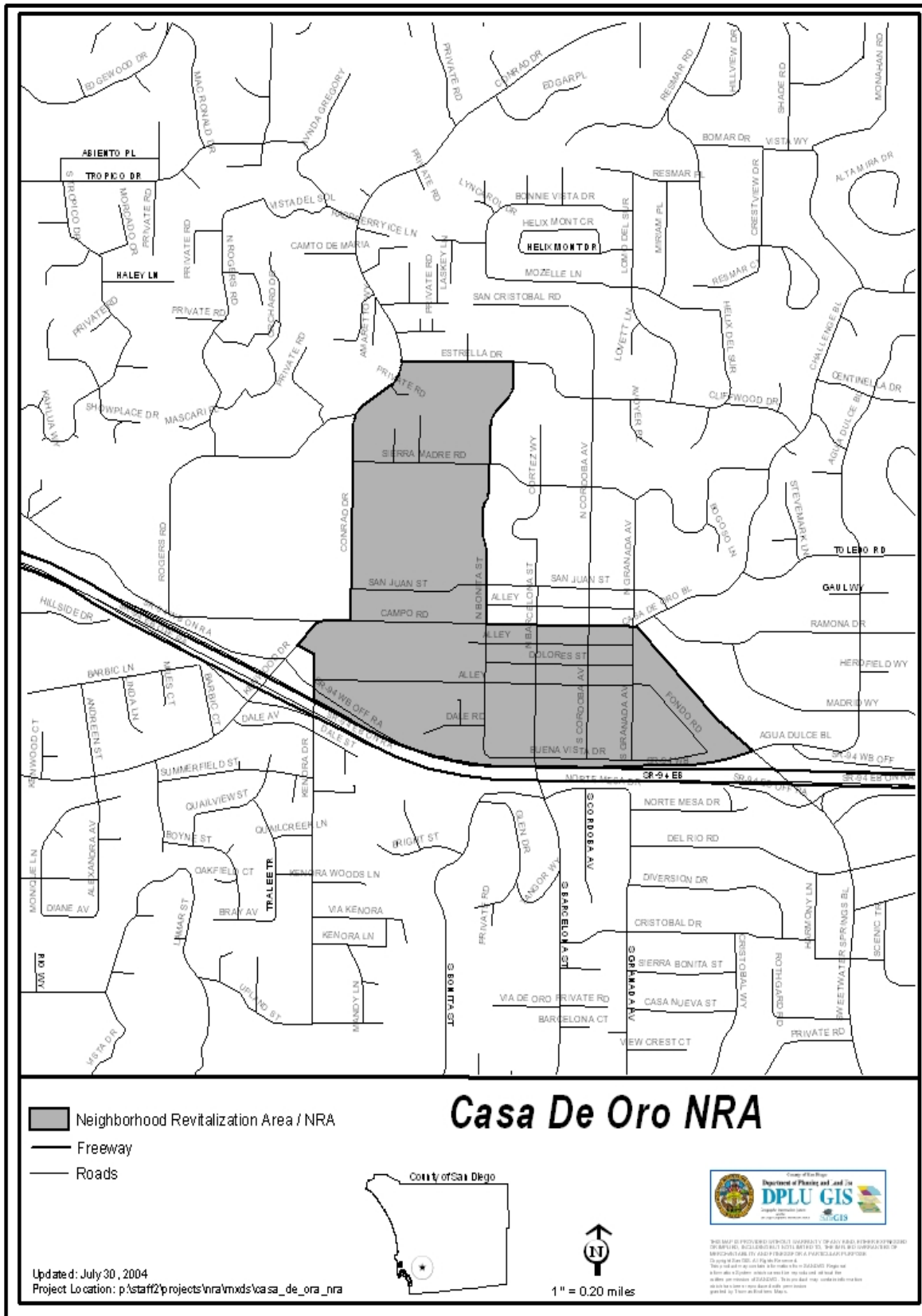








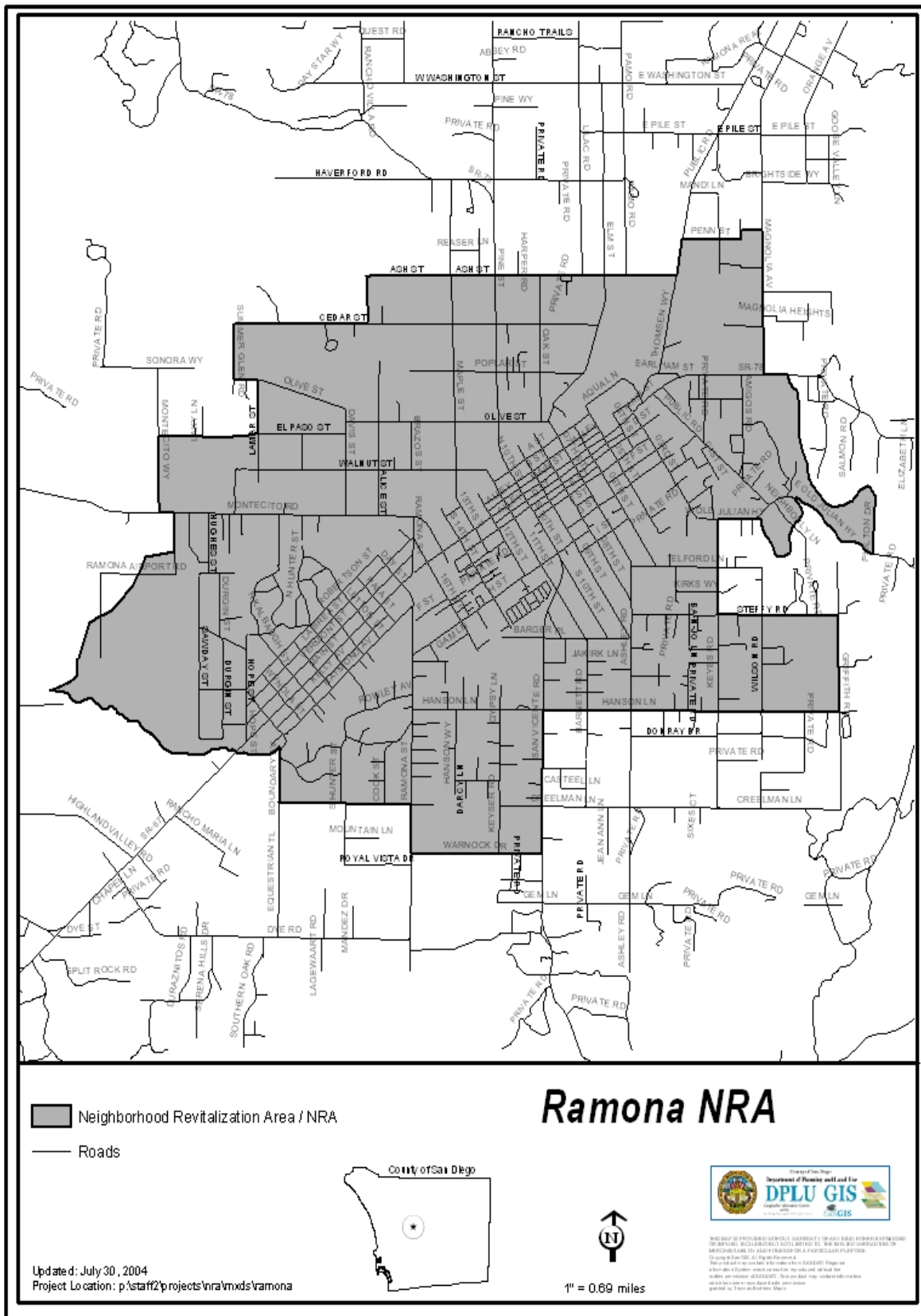




































recipients of housing assistance who are appointed by the Board of Supervisors. Principal Public Housing Authority programs administered by HCD include:

**Housing Rental Assistance Programs**

- Housing Choice Vouchers
- Family Self-Sufficiency
- Preservation
- Shelter Plus Care
- Housing Opportunities for persons with AIDS (HOPWA)
- Moderate Rehabilitation Program

**Public Housing Developments**

- Dorothy Street Manor (22 family units located in Chula Vista)
- L Street Manor (16 family units located in Chula Vista)
- Melrose Manor Apartments (24 family units located in Chula Vista)
- Towncentre Manor (59 senior units located in Chula Vista)



that sponsor programs and activities in partnership with the County and cities in the region.

The following HCD staff have been assigned the coordinating responsibilities for the following community development and housing development programs, listed by HCD Division:

**Community Development Division**

- Division Manager.....David Estrella, (858) 694-4802
- Consolidated Plan and Annual Funding Plan....April Torbett, (858) 694-8724; Maria Cavarlez, (858) 694-4806
- Community Development Block Grant Program  
Program Administration.... April Torbett, (858) 694-8724  
  
Project Eligibility.... April Torbett, (858) 694-8724; Maria Cavarlez, (858) 694-4806  
  
Contract/Project Management.... Maria Cavarlez

- Density Bonus Programs (unincorporated area).... Hugo Mora, (858) 694-4877
- Tax Exempt Mortgage Revenue and Industrial Development Bond Program.... Hugo Mora, (858) 694-4877
- Housing Opportunities for Persons with AIDS (HOPWA).... Lisa Contreras, (858) 694-8712.
- Residential Rehabilitation Programs .... Monique Rice, (858) 694-4823
- First-Time Homebuyer Programns.....Phyllis Freeman (858) 694-8709
- Building Blocks for Better Neighborhoods Program.... Sharon Ford, (858) 694-4825
- Special Needs Programs- Foster Youth, Shelter + Care, HOPWA, HOME Tenant Based Rental Assistance (TBRA).... Elva Bastida (858) 694-8796
- County of San Diego Redevelopment Agency.... Hugo Mora, (858) 694-4877

#### **Rental**



City of Imperial Beach

City of Imperial Beach-Residential Rehabilitation Program .....	\$132,279
City of Imperial Beach-Small Business Loan Program .....	\$10,000

City of Lemon Grove

City of Lemon Grove-Street Rehabilitation Program Reimbursement.....	\$110,233
City of Lemon Grove-Tenant/Landlord Mediation and Counseling Services.....	\$9,442

City of Poway





### ***Minority/Women's Business Outreach***

The County has a minority outreach program for projects funded by the entitlement programs within its jurisdiction that ensures the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women. Certain procedures are in place during contracting and project implementation to assure that minority business enterprises and women business enterprises are used when possible in the procurement of property and services. These include encouragement of contracting with minority and women's businesses written into all bid packages and published notices soliciting contractors for work on HUD-funded community development projects, as well as statements in the Notices of Funding Availability for affordable housing development. In addition, informational materials are distributed at the HCD Subrecipient Training Workshops held each year for non-profit organizations, County project implementing departments, and participating cities.

### ***Refinancing***

The following



### **8.3 Emergency Shelter Grant Program**

HCD released an Emergency Shelter Grant (ESG) Notice of Funding Availability (NOFA) and made NOFA funds available for: homeless prevention activities; essential services for the homeless; and rehabilitating, renovating, maintaining, and operating emergency shelters. ESG regulations require a 100 percent funding match which is provided by the subrecipients. The NOFA was released on August 1, 2005.

Program proposals were reviewed and scored according to program location, financial feasibility, leveraging of other funding sources, services to be provided, and the ability of the program sponsor to successfully implement the services and provide a dollar for dollar match. The programs funded under the ESG NOFA (2005-2006) received a one-year contract with the County, with an option to extend the contract for an additional year (2006-2007) based upon performance and funding availability.

ESG funds are allocated to the San Diego Urban County (Urban County), which consists of the unincorporated area and the cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Pow

## II. LIST OF ANNUAL PLAN PROPOSALS

### RECOMMENDED CDBG PROPOSALS

#### PARTICIPATING CITIES

**Page    City of Coronado**

66    City of Coronado-Public Facilities Removal of Architectural Barriers.....\$95,621

**City of Del Mar**

67    City of Del Mar-Rental Housing Subsidy Program.....\$18,995

## RECOMMENDED CDBG PROPOSALS

### UNINCORPORATED AREA

#### **Page    Casa De Oro**

74	Casa De Oro-Estrella Park Development Design .....	\$50,000
75	Casa De Oro-Fondo Road Street Lights .....	\$15,000

#### **Fallbrook**

75	Fallbrook-Community Center Interior Remodeling .....	\$170,435
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**RECOMMENDED CDBG PROPOSALS**

**UNINCORPORATED AREA**

**Page    Regional**

91	Regional-San Elijo Lagoon ADA Trail .....	\$175,000
92	Regional-City/County Reinvestment Task Force .....	\$75,000
93	Regional-Community Revitalization Committees .....	\$40,000

**TOTAL UNINCORPORATED AREA** **\$1,928,435**

**ESTIMATED CDBG PROGRAM REVENUES \***

**Department of Housing and Community Development**

Mobilehome Occupant Assistance Program Reconveyances .....	\$ 220,000
City of Poway Residential Rehabilitation Reconveyances .....	50,000
	<u>\$ 270,000</u>

**San Diego County Housing Authority**

County Residential Rehabilitation Reconveyances .....	<u>\$ 580,000</u>
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**RECOMMENDED HOME INVESTMENT  
PARTNERSHIPS PROGRAM PROPOSALS**

**CONSORTIUM CITIES**

**Page    City of Carlsbad**

101    City of Carlsbad-HOME Program .....\$272,497

**City of Encinitas**

101    City of Encinitas-HOME Transitional Housing Project .....\$207,616

**ESTIMATED HOME PROGRAM REVENUES \***

**Department of Housing and Community Development**

Urban County HOME Downpayment and Closing Costs Program Reconveyances.....	\$250,000
Urban County HOME Housing Development Reconveyances .....	100,000
Consortium Cities HOME Program Reconveyances .....	<u>175,000</u>
	\$525,000

**San Diego County Housing Authority**

Urban County HOME Residential Rehabilitation Reconveyances .....	<u>\$75,000</u>
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**RECOMMENDED EMERGENCY SHELTER GRANT PROGRAM PROPOSALS**

**Page   Urban County**

110	Emergency Shelter Grant-Housing Development Program.....	\$197,636
111	Emergency Shelter Grant-Program Administration.....	\$10,401

<b>TOTAL ESG ENTITLEMENT</b>	<b>\$208,037</b>
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**RECOMMENDED HOUSING OPPORTUNITITES FOR  
PERSONS WITH AIDS PROGRAM PROPOSALS**

**Page San Diego County**

112	HOPWA Program .....	\$2,294,100
113	HOPWA Program Administration .....	\$254,900
<b>TOTAL HOPWA ENTITLEMENT</b>		<b>\$2,549,000</b>

















































































































































































































































































































